GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2017

S 3

SENATE BILL 224 House Committee Substitute Favorable 6/12/18 Third Edition Engrossed 6/13/18

Short Title: Landlord Recovery of Expenses/Rule 60 Motion. (Public) Sponsors: Referred to: March 9, 2017 A BILL TO BE ENTITLED AN ACT TO ALLOW LANDLORDS TO RECOVER OUT-OF-POCKET EXPENSES IN SUMMARY EJECTMENT CASES. The General Assembly of North Carolina enacts: **SECTION 1.1.(a)** G.S. 42-46(h)(3) reads as rewritten: It is contrary to public policy for a landlord to put in a lease or claim any fee for filing a complaint for summary ejectment and/or money owed other than the ones expressly authorized by subsections (e) through (g) and (i) of this section, and a reasonable attorney's fee as allowed by law." **SECTION 1.1.(b)** G.S. 42-46 is amended by adding two new subsections to read: Out-of-Pocket Expenses. – In addition to the late fees referenced in subsections (a) "(i) and (b) of this section and the administrative fees of a landlord referenced in subsections (e) through (g) of this section, a landlord is also permitted to charge and recover from a tenant the following actual out-of-pocket expenses: Filing fees charged by the court. (1) Costs for service of process pursuant to G.S. 1A-1, Rule 4 of the North **(2)** Carolina Rules of Civil Procedure and G.S. 42-29. Reasonable attorneys' fees actually incurred, pursuant to a written lease, not (3) to exceed fifteen percent (15%) of the amount owed by the tenant, or fifteen percent (15%) of the monthly rent stated in the lease if the eviction is based on a default other than the nonpayment of rent. The out-of-pocket expenses listed in subsection (i) of this section are allowed to be (i)

1

2

3

4

5

6

7

8 9

10

11

12

13 14

15

16

17

18

19

20

21 22

2324



included by the landlord in the amount required to cure a default."

SECTION 2. This act is effective when it becomes law.